

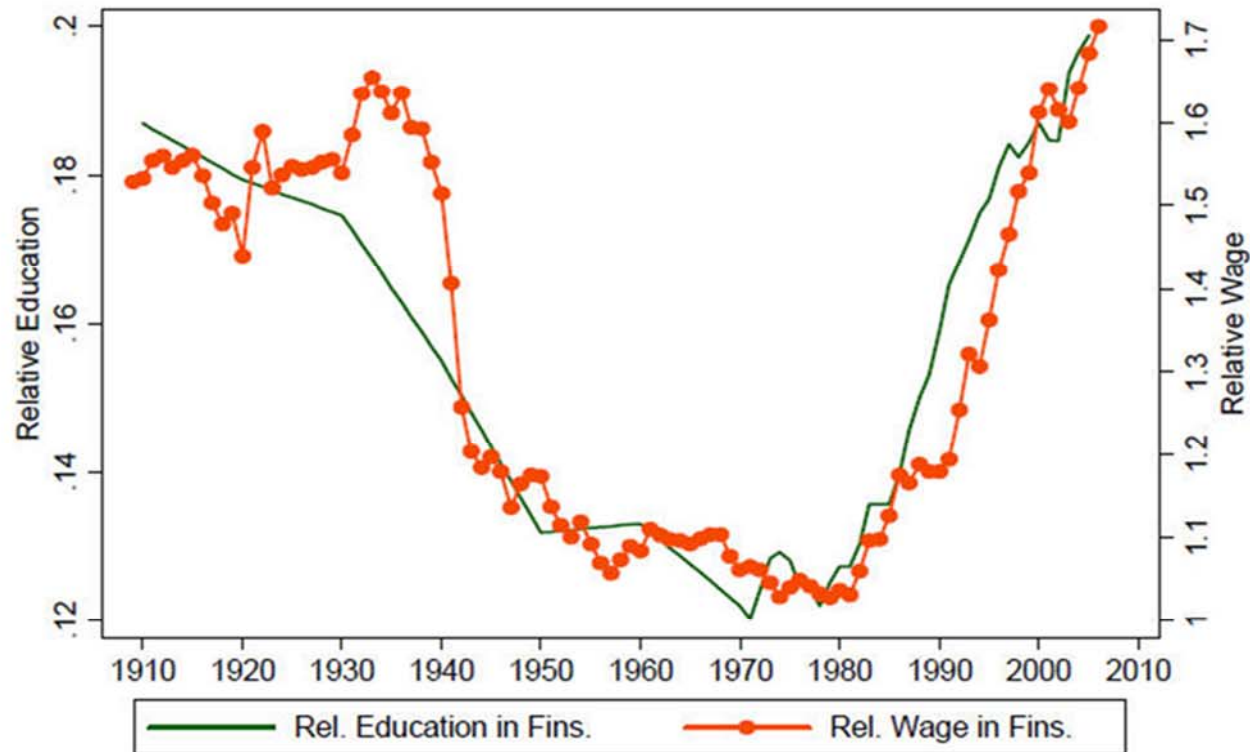
Big Picture Series

Spring 2012

Feb. 10, 2012

Why are we in an extraordinary time of history? - The Big Pictures (#1)

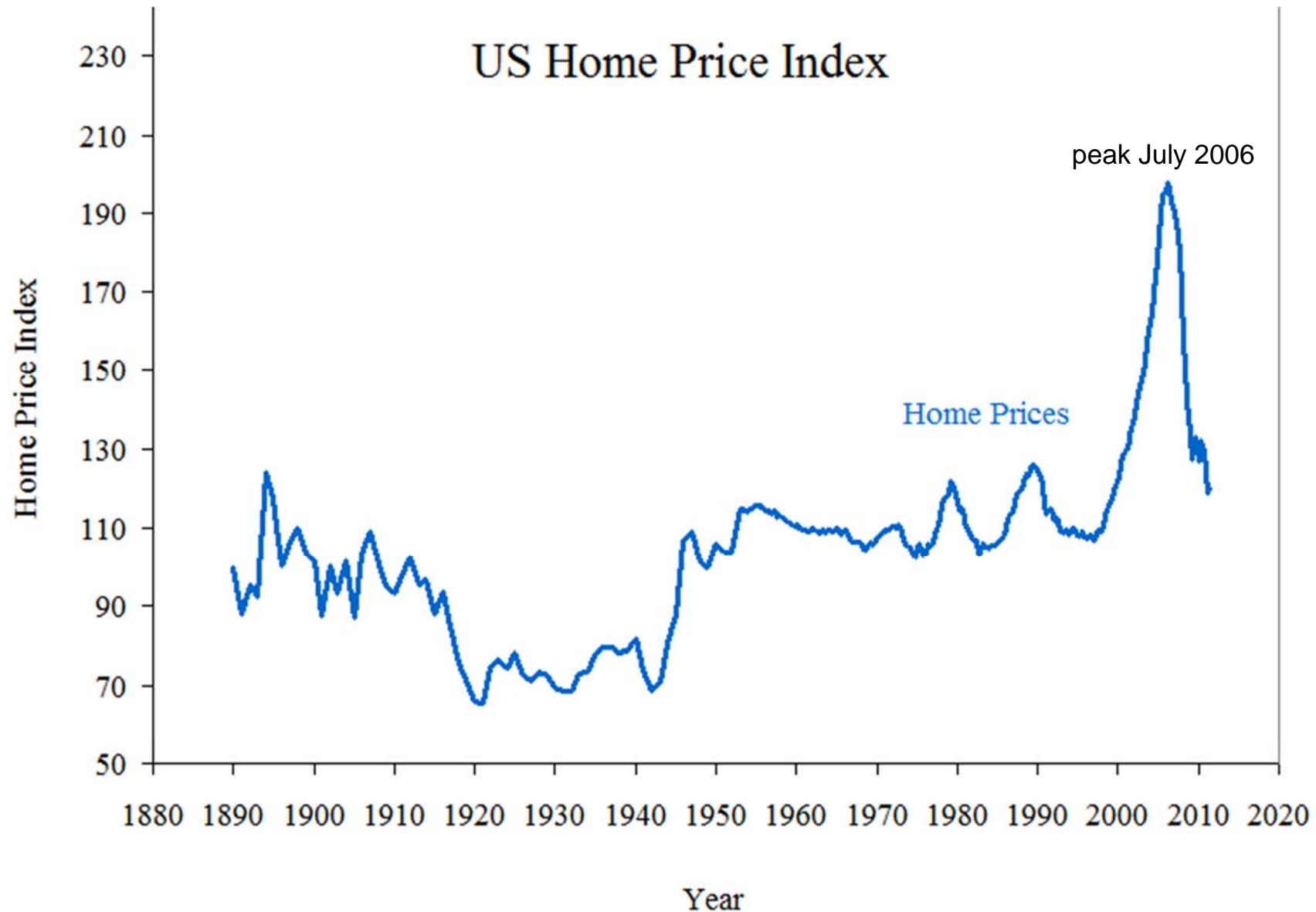
Figure 1: Relative Wage and Education in the Financial Industry



Why are we in an extraordinary time of history? - The Big Pictures (#2)



Why are we in an extraordinary time of history? - The Big Pictures (#3)



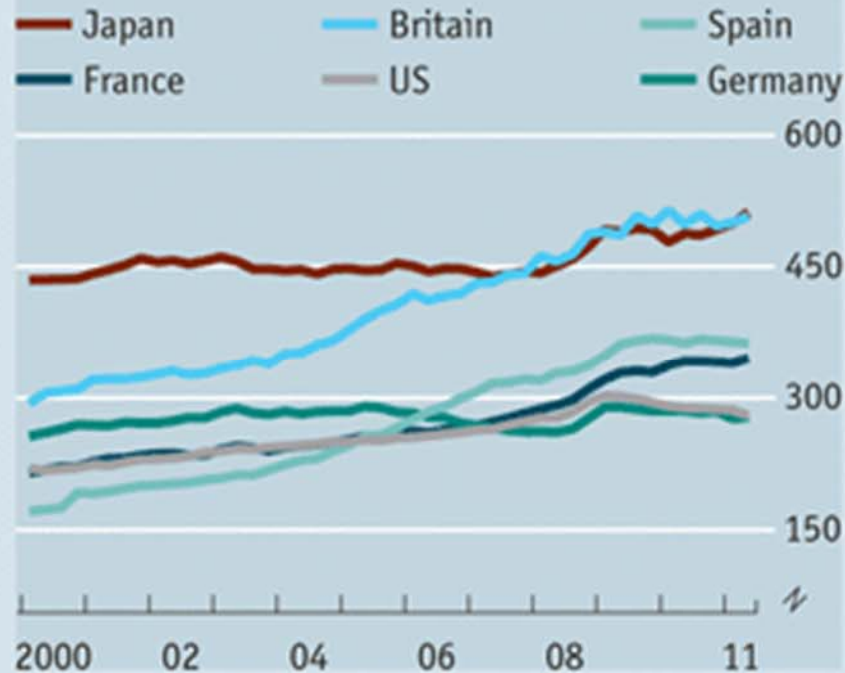
Feb. 17, 2012

Big Picture

The climb is easier than the descent

Total debt

% of GDP



Sources: McKinsey Global Institute

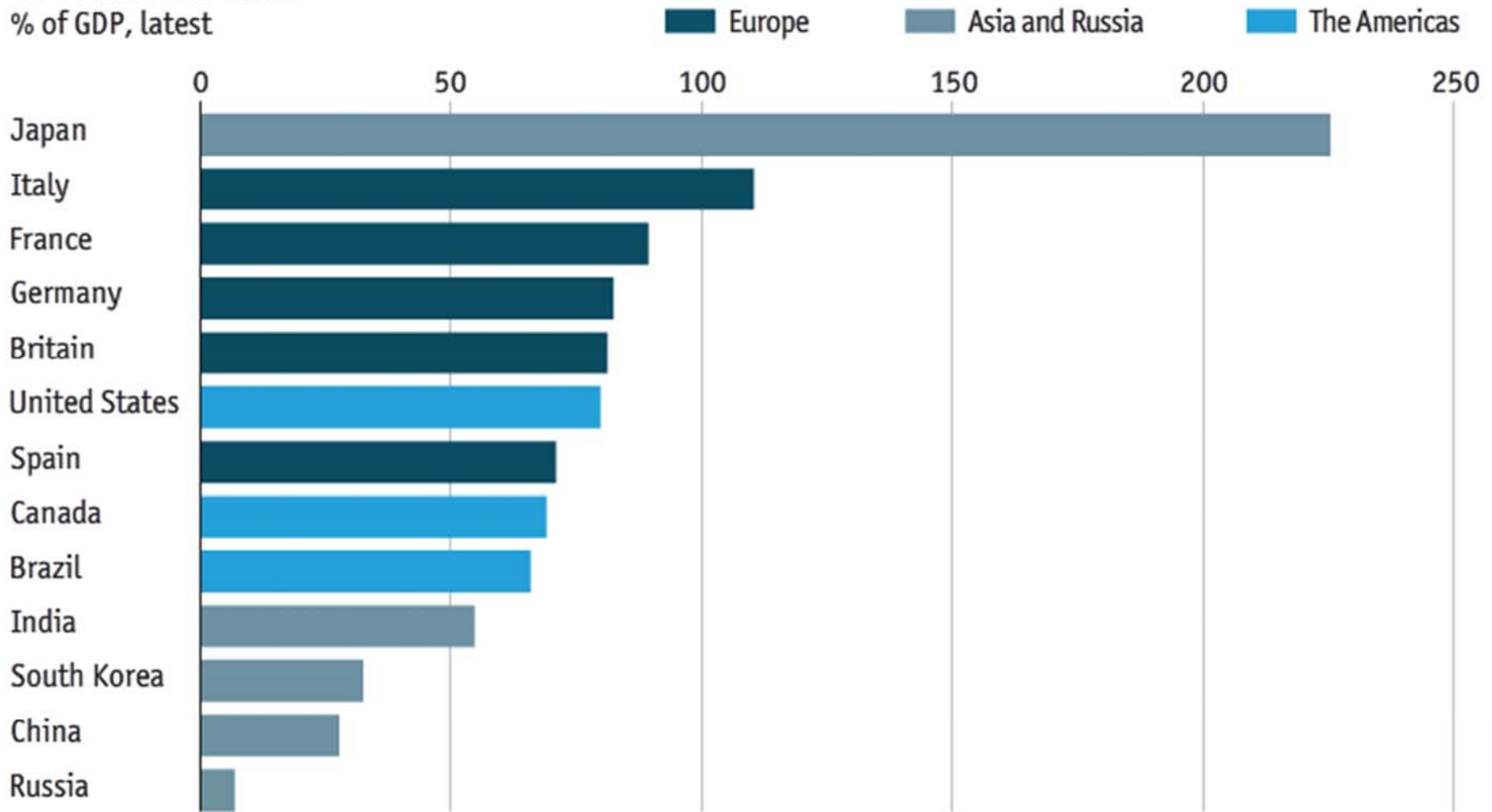
Change, % of GDP

	2000-2008	2008-Q2 2011
Japan	36.5	38.9
France	88.8	35.4
Spain	145.2	25.6
Britain	177.2	20.3
Canada	38.5	17.0
Italy	67.8	11.5*
Germany	7.2	1.2
South Korea	91.4	-15.5
United States	75.2	-16.1

*To Q1 2011

Government debt

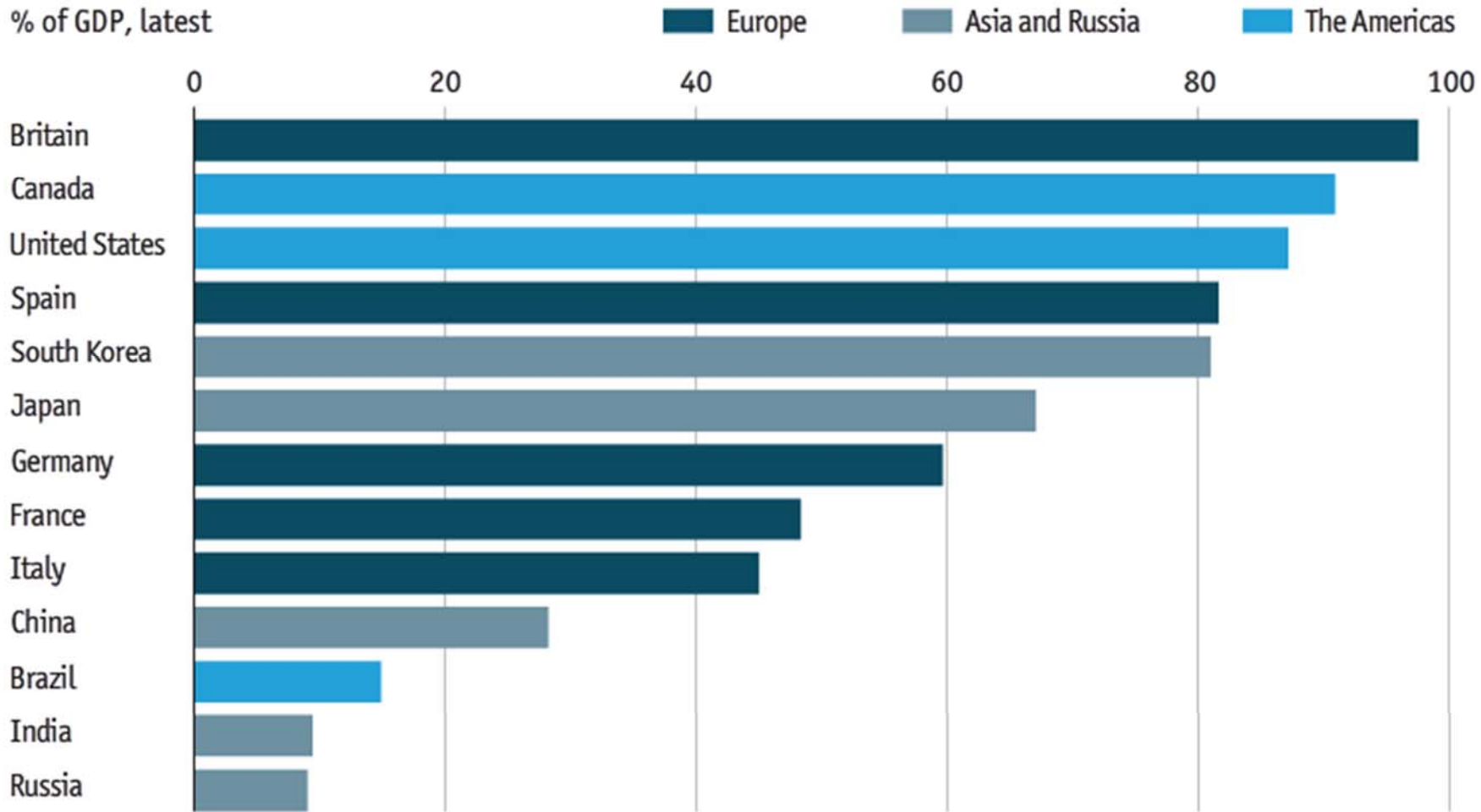
% of GDP, latest



Source: McKinsey

Household debt

% of GDP, latest



Source: McKinsey

Household debt

As a percentage of GDP

	Levels				Changes ²		
	1980	1990	2000	2010 ¹	1980-90	1990-2000	2000-10
United States	52	64	74	95	12	10	21
Japan	60	82	87	82	22	5	-5
Germany	59	61	73	64	2	13	-9
United Kingdom	37	73	75	106	36	2	31
France	27	46	47	69	18	2	22
Italy	6	21	30	53	15	9	23
Canada	56	63	67	94	7	4	27
Australia	42	46	74	113	5	27	39
Austria	41	41	47	57	0	6	10
Belgium	35	38	41	56	3	3	15
Denmark			95	152			57
Finland	29	48	35	67	19	-14	33
Greece	8	9	20	65	1	11	45
Netherlands	43	49	87	130	6	38	43
Norway			64	94			31
Portugal	15	23	75	106	7	52	31
Spain	24	41	54	91	17	13	37
Sweden	53	61	51	87	8	-10	36
Total of above							
Median	39	47	65	94	8	8	31
Weighted average ³	46	60	69	90	14	9	18
Simple average	37	48	61	93	11	11	27
G7	43	59	65	87	16	6	16
Other advanced	32	39	58	97	7	14	34
<i>Memo: Std deviation</i>	17	20	21	28			

¹ Some figures refer to 2009. ² In percentage points of GDP. ³ Based on 2005 GDP and PPP exchange rates.

Sources: OECD; national data, authors' estimates.

Feb. 21, 2012

Big Picture

The Global Distribution of Gross Domestic Product (GDP) in 2040, by Grouping of Nations

Grouping	Population (in millions)	Percent of total	GDP in billions of \$ (PPP)	Percent of total
United States	392	5	41,944	14
European Union (EU 15)	376	4	15,040	5
India	1,522	17	36,528	12
China	1,455	17	123,675	40
Japan	108	1	5,292	2
6 South East Asian Countries (SE6)	516	6	35,604	12
Subtotals	4,369	50	258,083	85
Rest of the World	4,332	50	49,774	16
World	8,701	100	307,857	101*

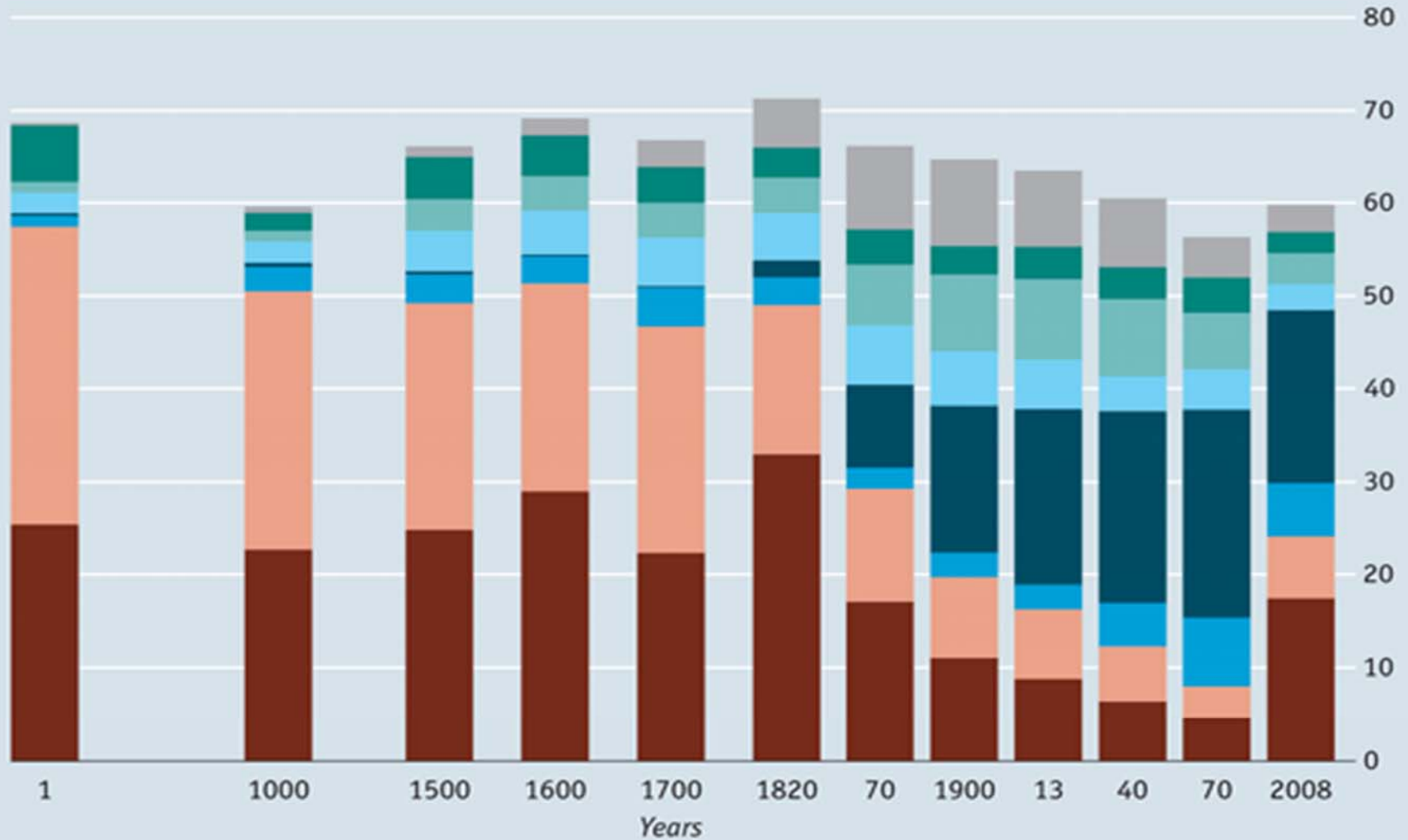
Note: GDP in U.S. dollars of 2000.

*Total equals more than 100 percent due to rounding.

A history of world GDP

Percentage of total, 1990 \$ at PPP*

China India Japan US France Germany Italy Britain



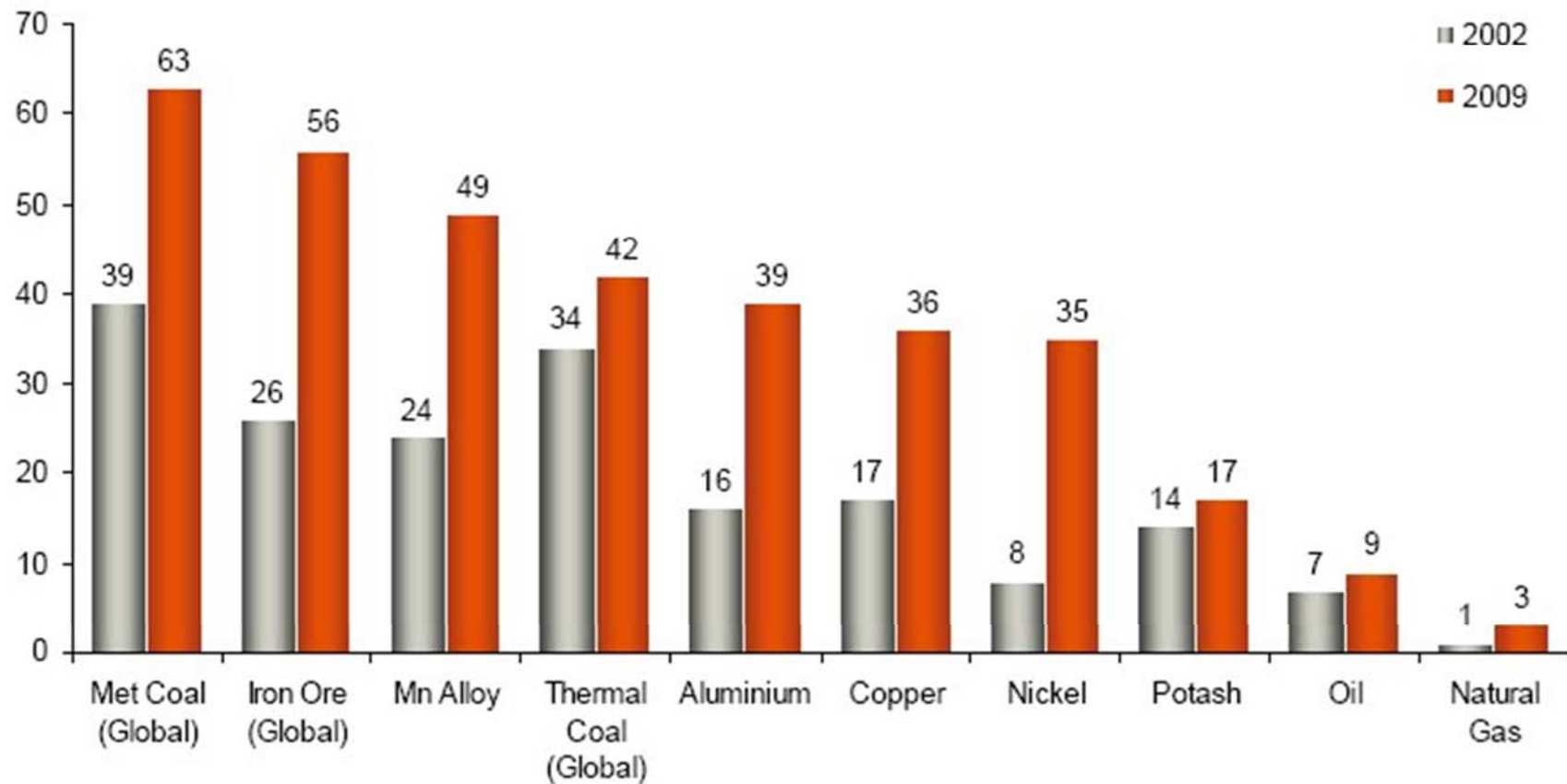
Sources: Angus Maddison, University of Groningen; *The Economist*

*Purchasing-power parity

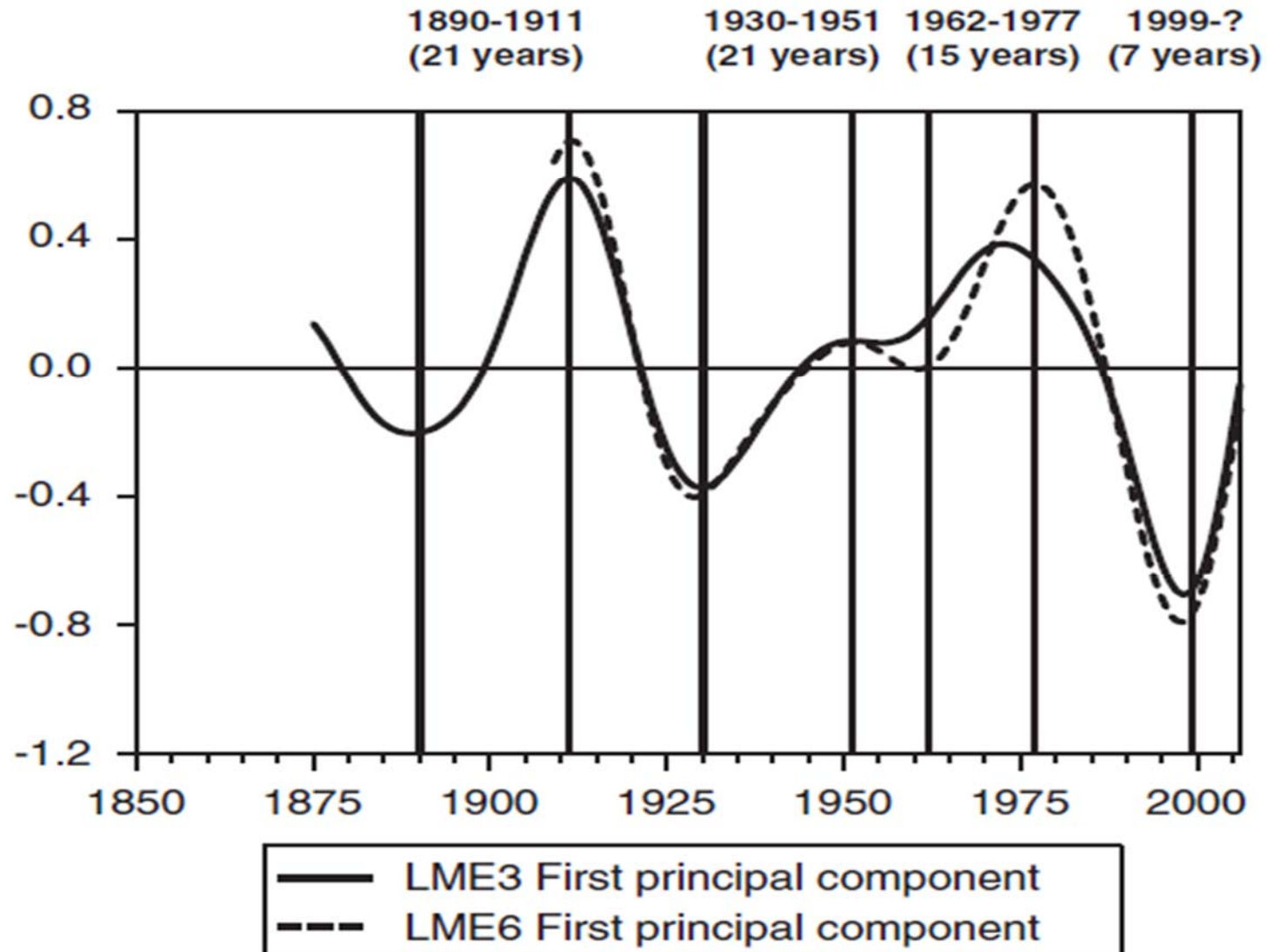
China and World's Commodities

China's share of global demand by commodity

(%)



Commodity Super Cycles

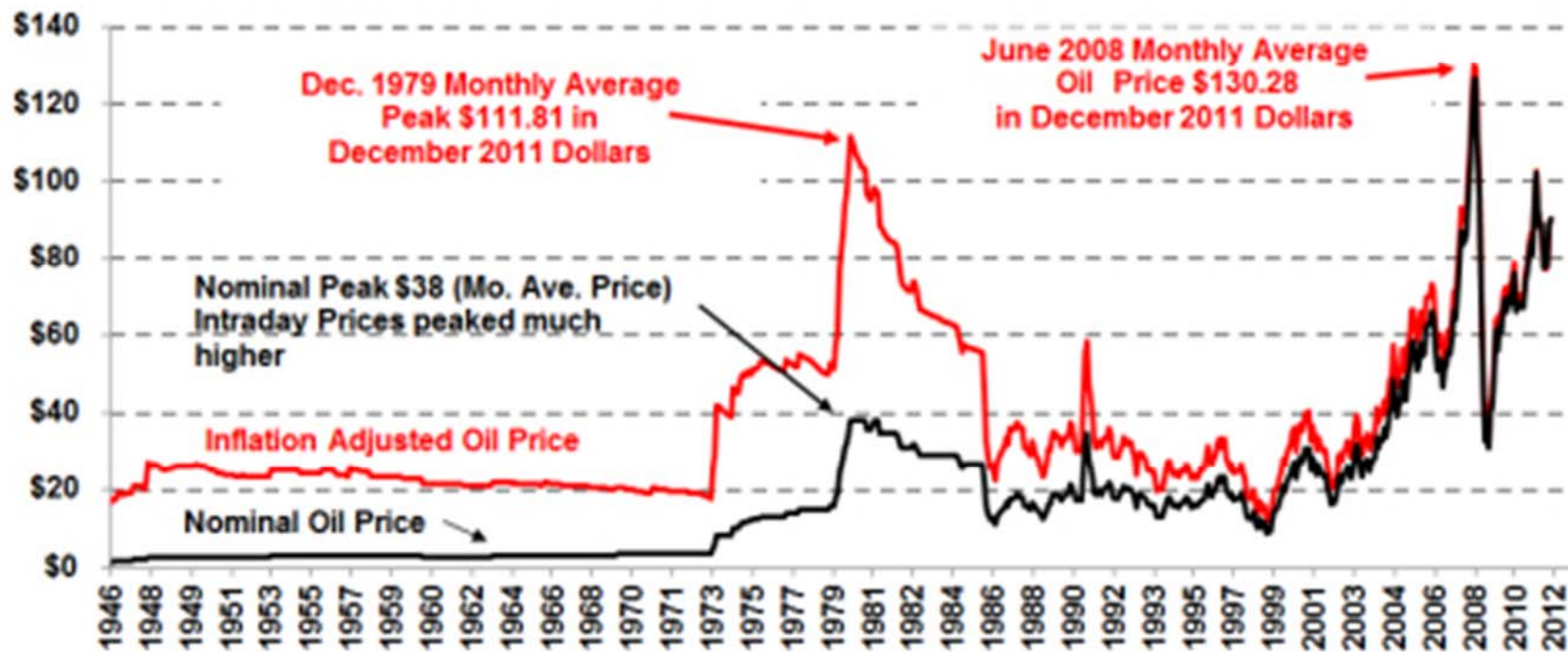


Feb. 28, 2012

Big Picture

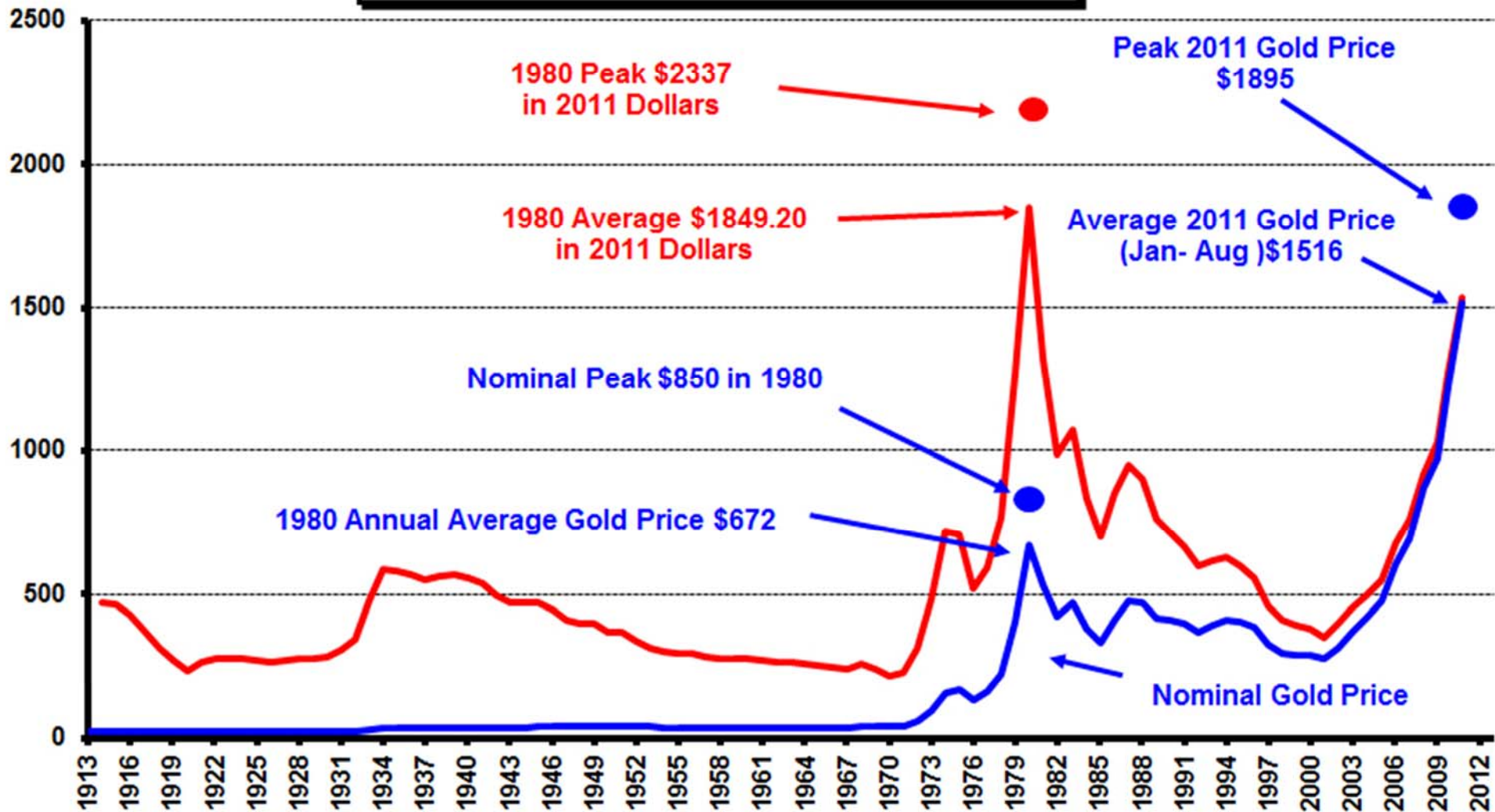
Inflation Adjusted Monthly CRUDE OIL PRICES (1946-Present) In December 2011 Dollars

© www.InflationData.com
Updated 1/19/2012



Source of Data:
Oil Prices- www.ioga.com/Special/crudeoil_Hist.htm
CPI-U Inflation index- www.bls.gov

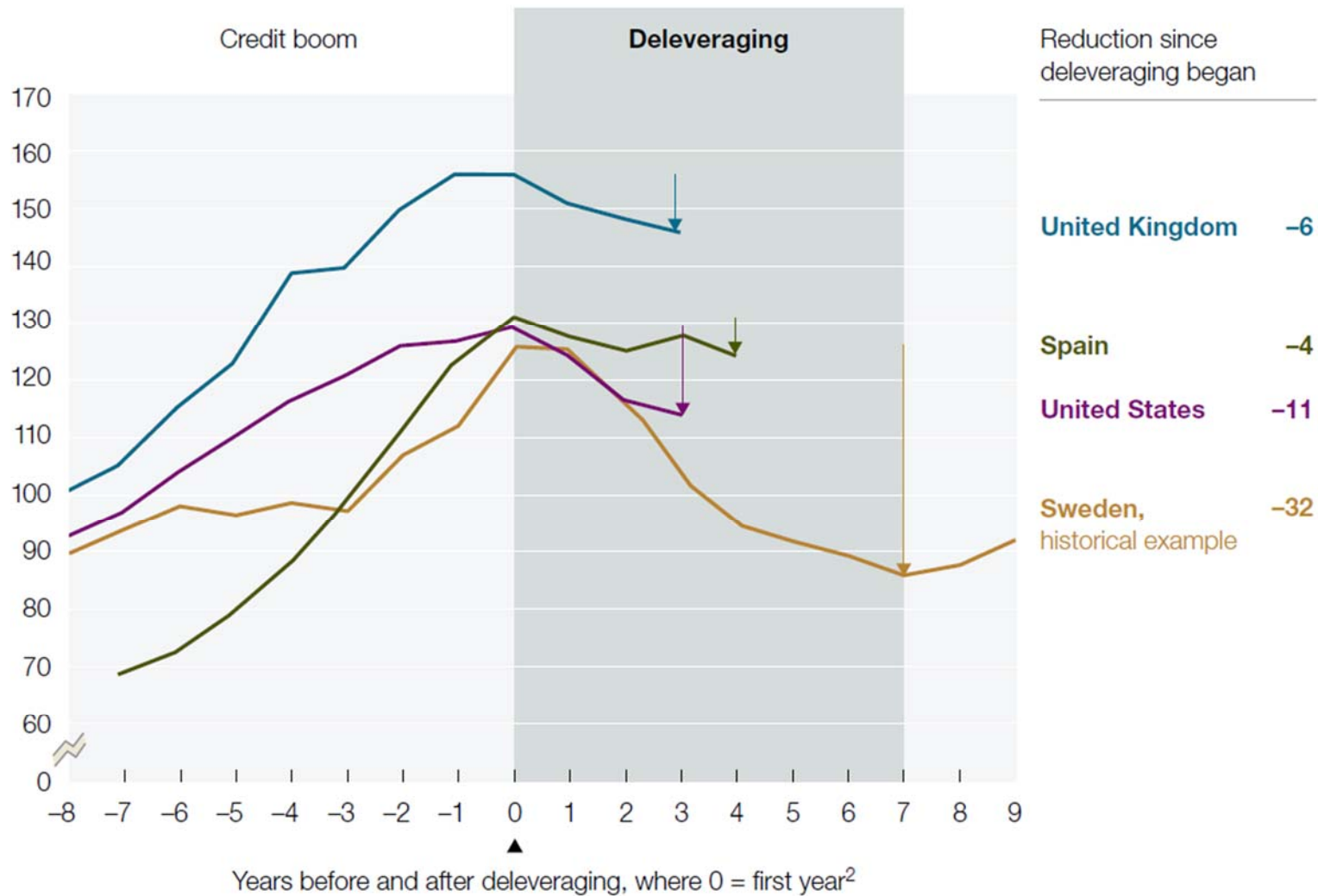
Inflation Adjusted Annual Average Gold PRICES (1914-Current)
In August 2011 Dollars
 © www.InflationData.com
 Updated 09/15/2011



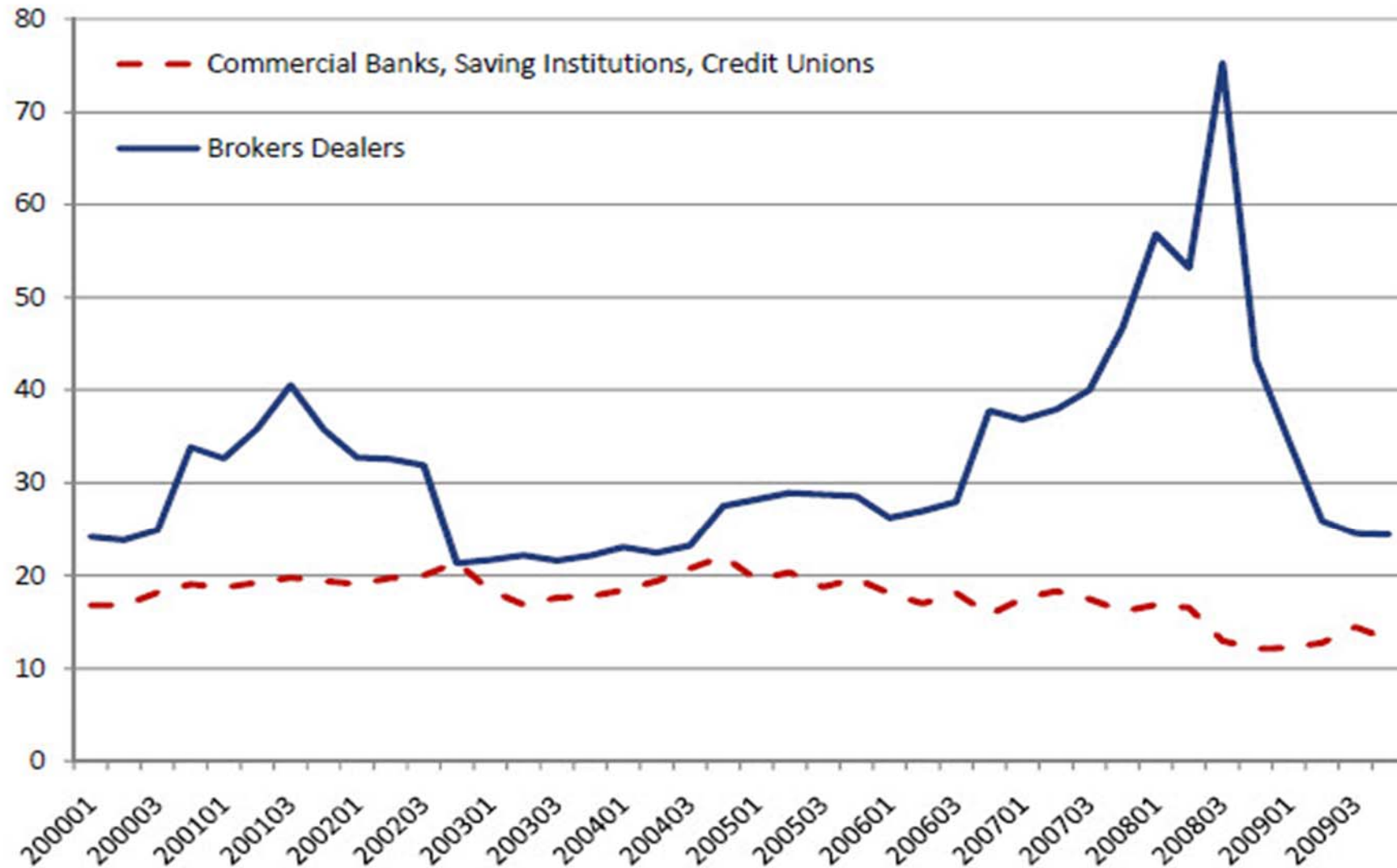
March 6, 2012

Big Picture

Household debt, % of gross annual disposable income¹



Recent History of Financial Leverage



Bank Leverage Ratio 2011 vs. 2007: How Has Deleveraging Progressed So Far?

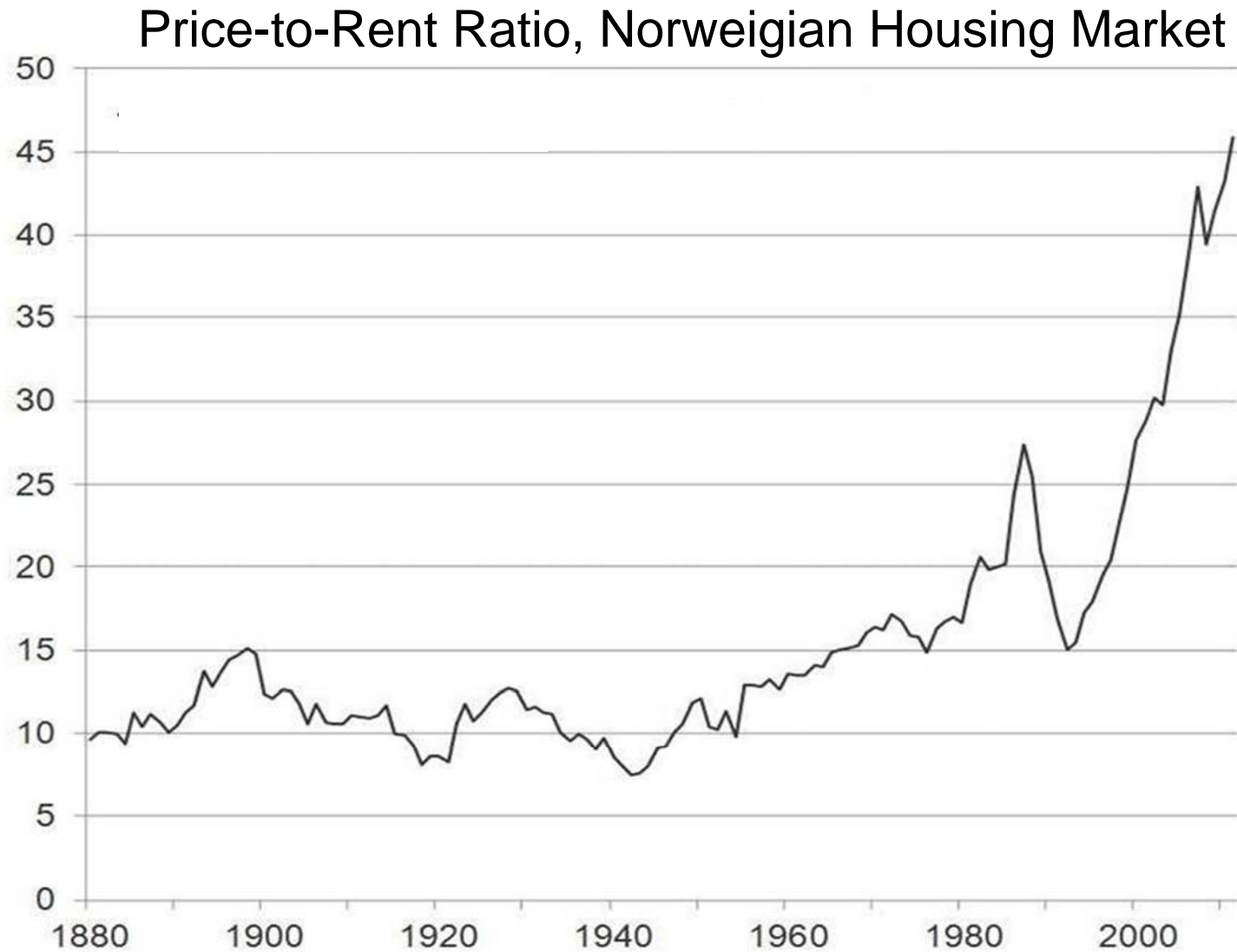
(Source: Economist Online)

Bank/Institution	Country	Unadjusted leverage	Leverage Ratio	Tier 1 Capital Ratio	Unadjusted leverage	Leverage Ratio	Tier 1 Capital Ratio
		2007			2011		
J.P. Morgan	US	16.7	11.9	8.4%	14.7	8.3	12.1%
Bank of America	US	19.8	14.6	6.9%	14.1	11.9	8.4%
Wells Fargo	US	14.6	13.2	7.6%	11.1	8.7	11.5%
CitiGroup	US	24.8	14.0	7.1%	14.3	7.4	13.5%
Goldman Sachs	US	26.2	17.5	5.7%	11.8	7.2	13.8%
Morgan Stanley	US	32.6	17.6	5.7%	14.4	6.0	16.8%
Barclays	UK	37.8	12.8	7.8%	21.0	9.1	11.0%
RBS	UK	23.5	13.7	7.3%	19.0	7.4	13.5%
HSBC	UK	17.4	10.8	9.3%	17.5	8.2	12.2%
Deutsche Bank	Germany	54.6	11.6	8.6%	43.0	7.2	13.8%
Credit Suisse	Swiss	31.7	9.0	11.1%	31.7	5.6	17.7%
UBS	Swiss	64.0	11.4	8.8%	27.8	5.4	18.4%
BNP Paribas	France	41.6	13.7	7.3%	29.0	8.4	11.9%
Soc. Gen.	France	34.6	12.5	8.0%	22.3	8.8	11.3%
Credit Agricole	France	22.0	13.5	7.4%	22.4	9.1	11.0%

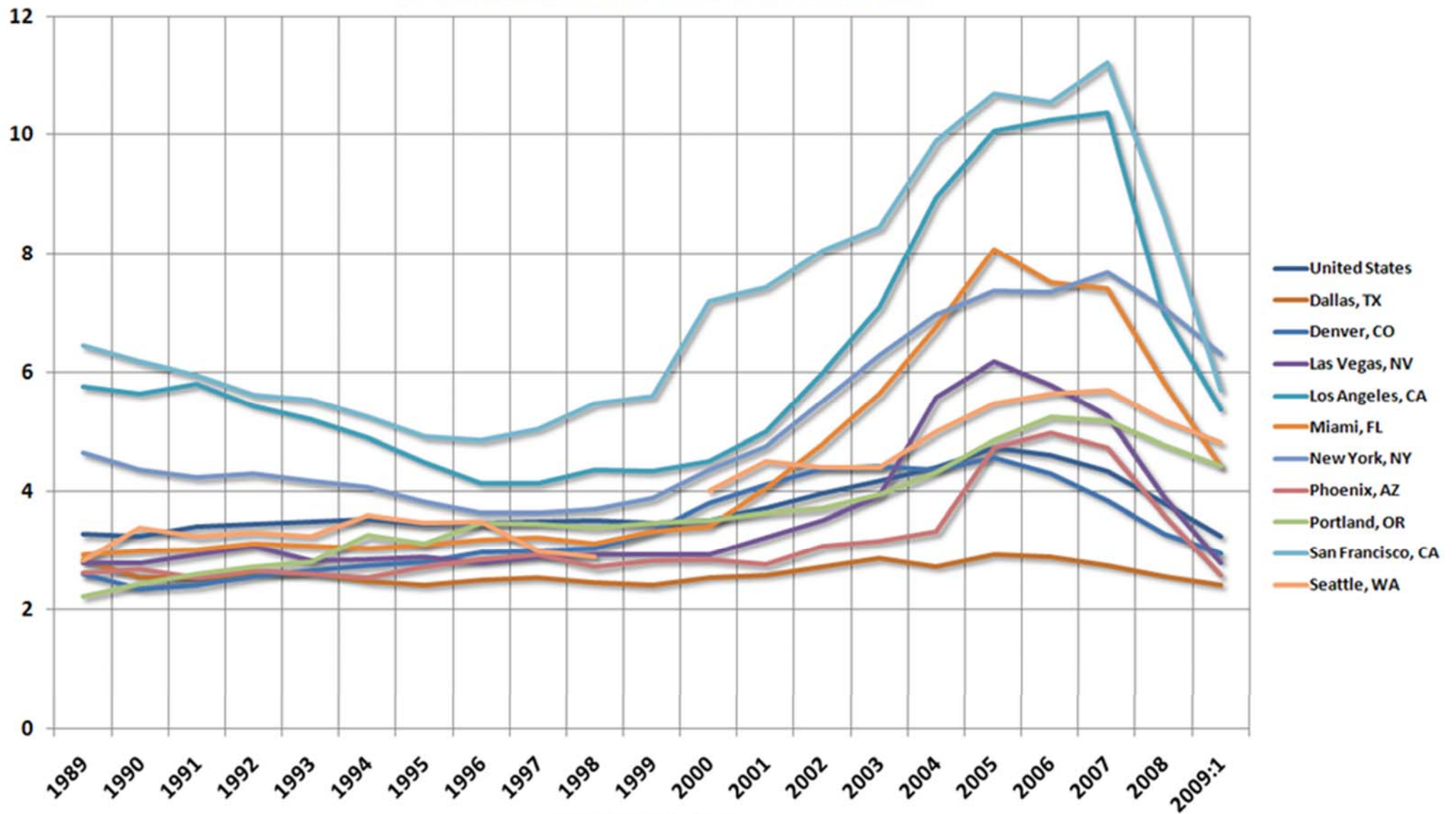
1. Leverage ratios are calculated as the inverse of tier 1 capital ratio (BASEL I, risk-adjusted).
2. Unadjusted leverage is the ratio between total assets and shareholder's equity.
3. Data for 2007 are from 2007 annual reports; data for 2011 are from banks' 2Q or 3Q/2011 quarterly report.

March 13, 2012

Big Picture



U.S. House Prices to Income: 1989-2009

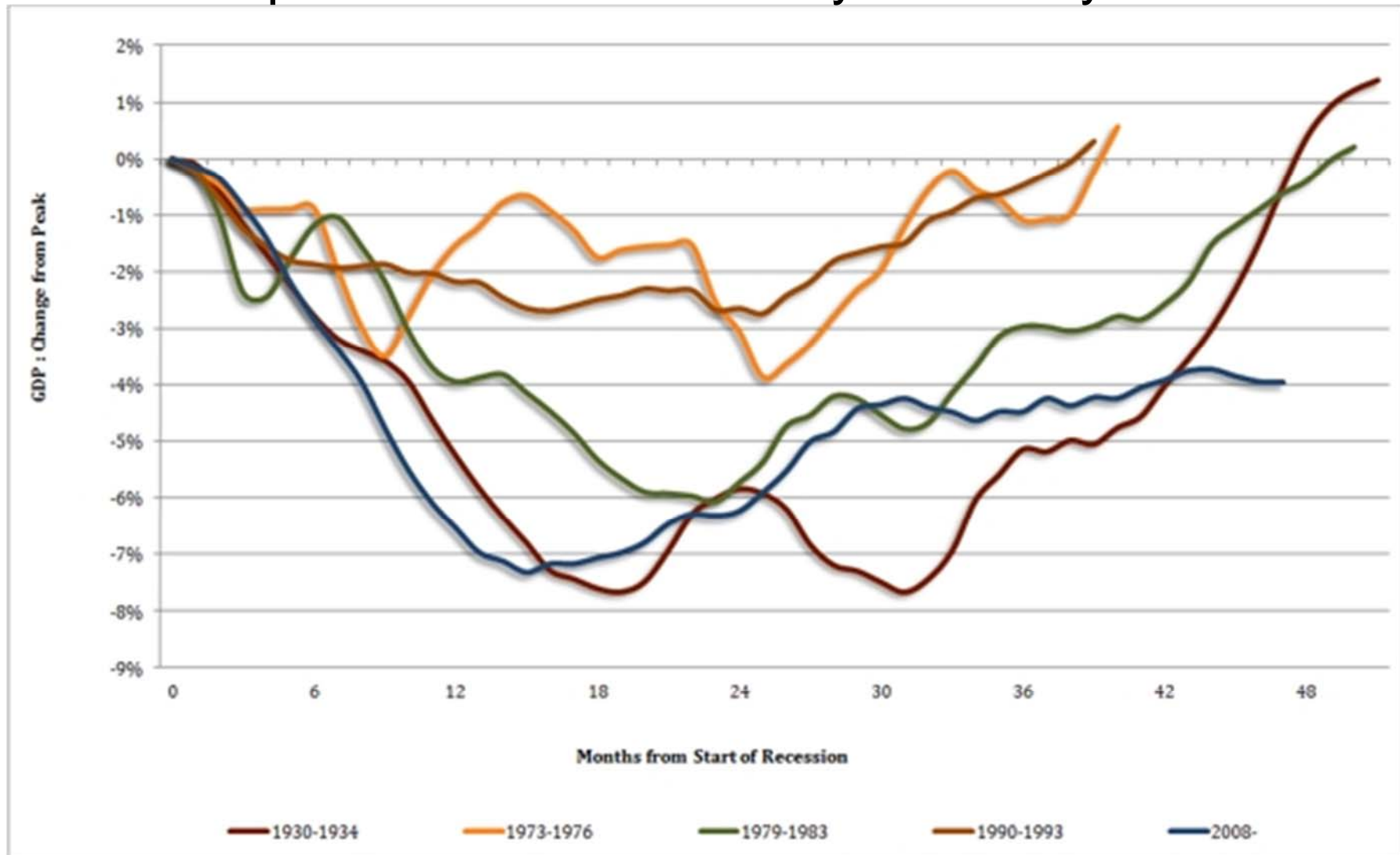


Also check Economist's Housing Price Interactive Chart at:
<http://www.economist.com/node/21009954>

March 20, 2012

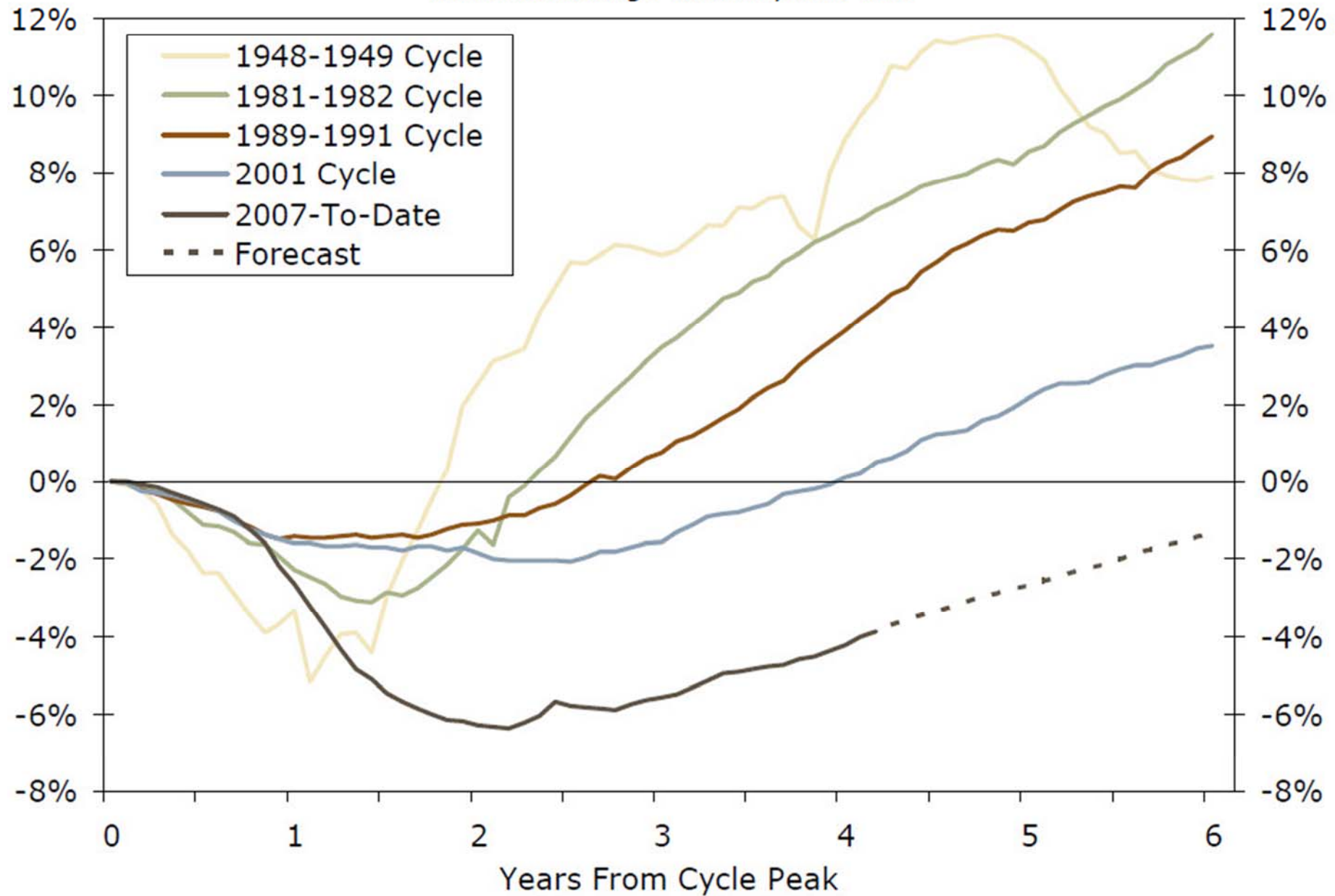
Big Picture

Compare economic recovery across cycles

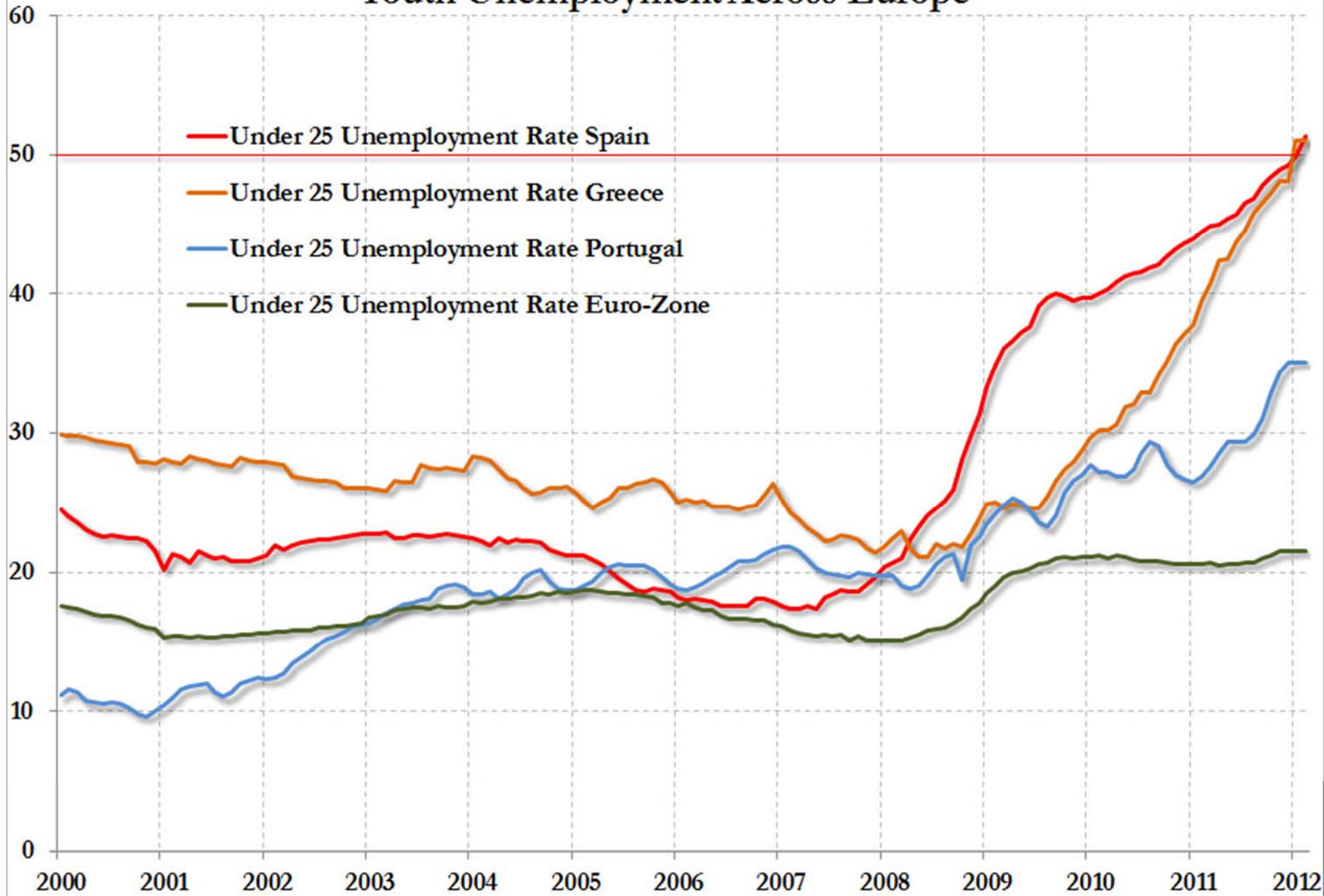


Employment Cycles

Percent Change from Cycle Peak

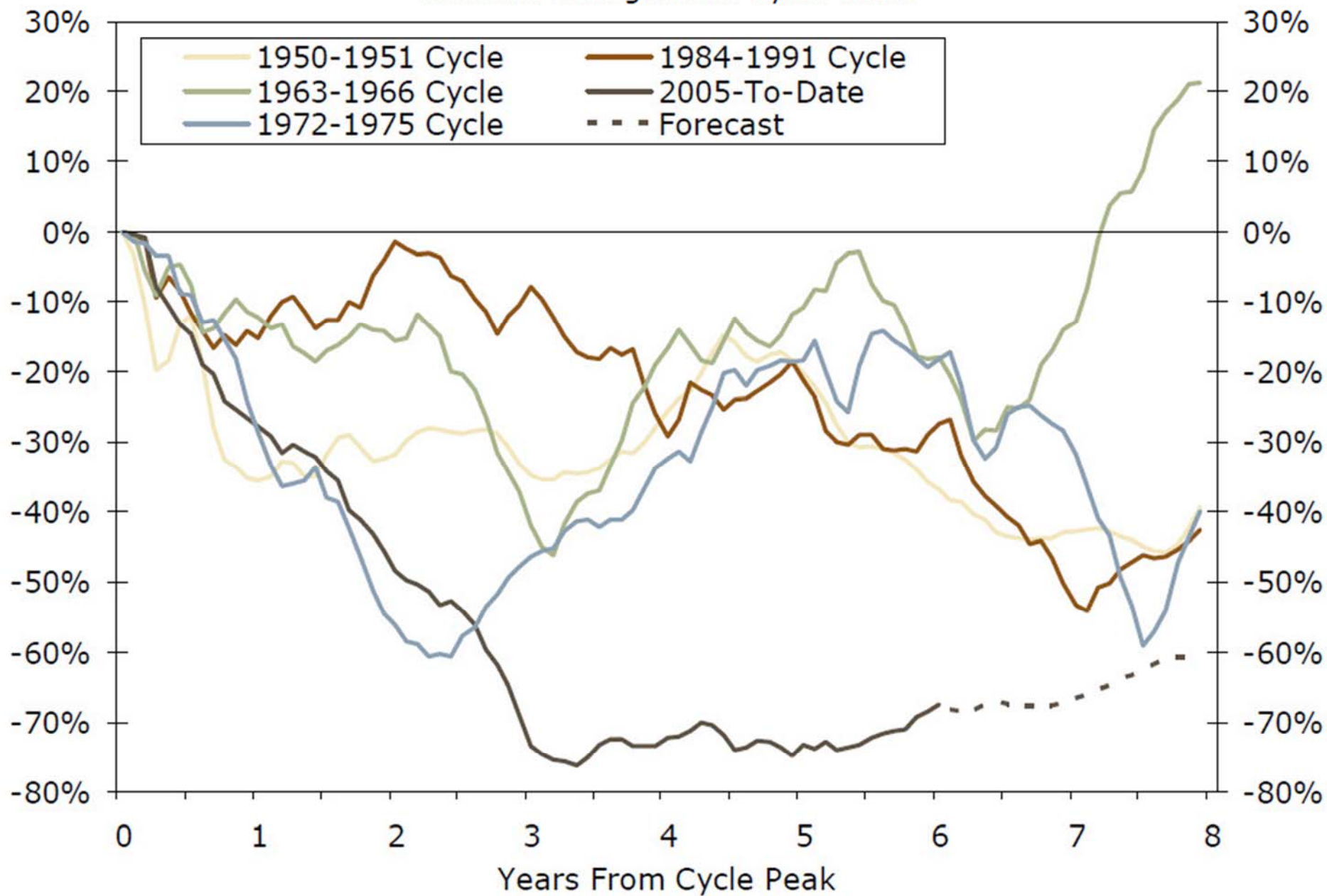


Youth Unemployment Across Europe



Housing Starts Cycles

Percent Change from Cycle Peak





Big Picture

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